

TOLLING AGREEMENT

This TOLLING AGREEMENT ("Agreement"), effective as of April __, 2016, is made and entered into by and between WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES ("DNR"), and CASCADE NATURAL GAS CORPORATION, a Washington corporation ("Cascade").

Recitals

A. WHEREAS, the parties assert they have claims against one another ("Claims") for environmental contamination at and around the location of a former manufactured gas plant ("MGP") once operated on real property and beachfront on the south shore of Port Washington Narrows between Thompson Drive and Pennsylvania Avenue in Bremerton, Washington (the "MGP Site").

B. WHEREAS, absent this Agreement, the parties could commence litigation against one another to prosecute the Claims.

C. WHEREAS, the parties wish to avoid the expense and burden of litigation at this time and allow an opportunity for the parties to attempt to resolve the Claims through negotiation.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Agreement

1. Tolling Period. The parties hereby stipulate that all statutes of limitations and other legal or equitable limitations periods, whether statutory, common law, or otherwise that apply to the Claims, shall be suspended and tolled from the effective date of this Agreement until this Agreement is terminated pursuant to Section 2 (the "Tolling Period"). The Tolling Period shall not be included in computing the time limited by any statute of limitation or other legal or equitable limitation period applicable to the Claims. No party shall assert, plead, or raise against the other party in any fashion, whether by answer, motion, or otherwise, any defense based on the running of any statute of limitation or other legal or equitable limitation period that applies to the Claims, during or as a result of the Tolling Period. Further, no party shall file suit or otherwise commence litigation against the other party concerning any of the Claims during the Tolling Period.

2. Termination. This Agreement may be terminated by any party at any time by delivering written notice of termination to the other party. The effective date of termination shall be the day that is thirty (30) days after the notice of termination is delivered to the other party.

3. No Admission. Nothing in this Agreement shall constitute an admission of fact, responsibility, fault, or liability of any kind, or constitute a waiver or limitation of any legal claim or defense available to any party. This Agreement shall not be offered into evidence or

used by any party in any judicial proceeding for any purpose except an action to enforce terms of, or for damage for breach of, this Agreement.

4. Confidentiality. Except as required by law, the parties shall not disclose this Agreement to any third party, other than the parties' affiliates and their respective insurers, officers, directors, attorneys, experts, or agents.

5. Notices. All notices regarding this Agreement shall be in writing, shall be directed to the persons and addresses set forth in this Section, and shall be deemed duly given: (a) when personally delivered to the other party; or (b) two (2) business days after being posted by certified or registered mail. All notices shall be delivered as addressed below. Any party may change its authorized representative and address upon written notice to the other party.

To DNR: Kristin Swenddal
Aquatic Resources Division Manager
Washington State Department of Natural Resources
1111 Washington Street SE
P.O. Box 47027
Olympia, WA 98504-7027

To Cascade: c/o Daniel S. Kuntz
MDU Resources Group, Inc.
P.O. Box 5650
1200 West Century Avenue
Bismarck, ND 58506-5650

6. Governing Law and Venue; Interpretation. This Agreement is to be construed in accordance with the laws of Washington and all proceedings to interpret or enforce this Agreement shall be brought in a court of competent jurisdiction in Thurston County, Washington. In any action between the parties to interpret or enforce any of the terms and conditions of this Agreement, the substantially prevailing party shall be entitled to recover its reasonable attorneys' fees and costs, including those incurred at trial or on appeal. No adverse interpretation shall be applied against any party for drafting any portion of this Agreement.

7. Amendment. This Agreement may not be changed, modified, or amended except by writing signed by all parties.

8. Successors; Assignment. This Agreement shall be binding on, and inure to the benefit of, the parties and their respective successors and assigns, and their respective affiliates, subsidiaries, parents, and related companies. No party may assign its rights or obligations under this Agreement without the consent of the other party, which consent may be withheld in the sole discretion of such party.

9. Unenforceable Provisions. If any provision of this Agreement is invalid, illegal, or unenforceable, such provision shall be considered severed from the rest of this Agreement and the remaining provisions shall continue in full force and effect as if the invalid provision had not been included.

10. Authority to Execute. Each person executing this Agreement represents and warrants that he or she is fully authorized to execute this Agreement on behalf of the party he or she represents.

11. Counterparts. This Agreement may be executed in counterparts, and all such counterparts once so executed shall together be deemed to constitute one final agreement, as if one document had been signed by all parties, and each such counterpart, upon execution and delivery, shall be deemed a complete original, binding on the parties. An email copy of an original signature shall be deemed to have the same force and effect as the original signature.

IN WITNESS WHEREOF, the parties hereby execute this Agreement.

WASHINGTON STATE DEPARTMENT OF NATURAL RESOURCES

By: _____

Printed Name: _____

Title: _____

CASCADE NATURAL GAS CORPORATION,
a Washington corporation

By: _____

Printed Name: _____

Title: _____